

## THE FAILURE OF McGEACH

**FIRMER FEELING IN THE LARD MARKET.**

KNOWN—THE FOWLER INVESTIGATION.

CHICAGO, June 18.—The McGeech failure, the broken lard carrier, the panic in provisions, and the losses and disasters that the latter caused, are still thought of and talked about to the exclusion of everything else. John K. Bensleys, of the firm of Bensleys, Wagner & Bensleys, was this morning appointed receiver of the suspended firm. He filed a bond in \$500,000 and has already entered upon his duty of settling on the affairs. Three hundred

"It is scarcely easier," said a member of the firm, "to give an intelligent guess at our liabilities tonight than it was on last Saturday night. We have not been working toward a result. We have been writing up the individual accounts. Here (picking up a package of thirty or forty accounts) are all

as large) are all the 'A' accounts. When we get through the writing up the accounts it will be short work reaching the summary of our liabilities and assets, but we have not got that far yet. If I should guess at the indebtedness I should put it at between \$1,000,000 and \$1,500,003."

The smaller firms which failed because of McGee's suspension are waiting upon the Scotchman to straighten out their own affairs. Messrs. Ellis & Lightner, of the firms which suspended, owe prob-

only the most money. Their liabilities amount to \$120,000. They held 22,000 tierces of lard for the Scotchman's account at a margin of only 11 cents. Messrs. J. M. Bell & Co. owe probably not above \$60,000. This firm had only 10,000 tierces of lard bought at a margin of about 11 cents. The heaviest losers, it is now believed, were rich firms which could not only bear the loss with equanimity, but which had enough money to hold their property until to-day. Some of these undoubtedly bought even at the bottom price at the height of the panic to recover partly or wholly. The Board

It is said that the bank never met with such losses as were suffered on Saturday. Of the money which McGeowen owes \$1,000,000 is due to his brokers. His banks, it is said, held on to their property and only sold to-day after the market had recovered one cent a pound from the bottom figures of Saturday. Philip Armour this morning bought every tierce of lard which McGeowen had at the local banks, including all the property he had hypothecated at the Bank of Montreal. It was taken at \$9.65. Armour now owns all there is here. The orders he gave.

from jobs during this forenoon amounted to more than all the orders which have been received within the past sixty days.

**WHY THE SUSPENSION WAS FORCED.**

It is easier to-day than it was on Saturday to get at the real facts which led directly to the failure. The truth appears now to be that a suspension was forced upon McGeech by his friends because they saw that it was the quickest and easiest way out of his troubles. When at 9 o'clock it was certain that Alexander Mitchell would loan no more money

for the use of the bank, the recordman went to the Bank of Montreal and borrowed the books. He then held the books for a week. He answered that there was \$250,000 to its credit. The partner then went to Mr. Monroe, the manager, and said that the firm had suspended. The banker was more agitated than business men usually allow themselves to be. He burst into tears and said that he would be deposed and ruined. He was finally calmed, and the partner said: "Mr. Monroe, we have a balance of \$250,000 with you. But you have checked your list for margins. If you do not sell you will pay it out. You are secured if you do not sell your land." Mr. Monroe finally agreed to do this, and it

to a refreshingly fair turn the checks of McGeoch, the Scotchman, to the bank of Montreal, for a morning, one check for \$1,400 being certified at the opening of banking hours this forenoon. The fact is, that the Bank of Montreal, instead of embarrassing McGeoch, stood by him pluckily to the end. It probably loses not a cent of money for Armour's bought of it all the land which it held for the Scotchman's account. The other local banks also held on to their land until to-day, at the urgent caution of McGeoch, and possibly under some sort of guarantee from Armour. If this land had been thrown out on Saturday, along with the 300,000 acres of future land, the selling price would have been a mere trifle.

REACTION IN THE MARKET.

The provision market to-day was strong. Nobody aware of the fact relating to the enormous purchases can wonder that it was. It was not a panicky. Whenever property was offered at even a little sacrifice it was taken in no matter what sized lots—1,000, 2,000, 5,000, and even 10,000 barrels of pork at a time, and laid in packages of the same size. Pork closed 15 to 20 cents a barrel higher than on Saturday night, and lard as high or higher

At the close of last week, June pork stopped at \$174.70; July at \$175.55; August, \$177.70. June lamb closed at \$9.75, July, \$9.82½, and August at \$9.87½. The fluctuations during the day were wide, but no more so than occur on active days.

About the wheat pit, however, there was a little pause. It dropped between two and three cents a bushel, and grain came to the market in large quantities. It seemed about noon as if the scenes which were enacted about the lamb pit on Saturday were to be repeated in the wheat pit. The whole decline occurred inside of two hours, and orders crowded in from all quarters to sell out

July, when upon all their margins were exorbitant. In July, when wheat dropped from \$1.04 to \$1.04 1/4, the call for further margins upon all their out-of-town customers. There was no concerted raid by the "bears." The tumble was the result of the general alarm. The large commission houses had issued on Saturday a wholesale "call" for further margins upon all their out-of-town customers. Wherever these calls were not responded to the property this morning was sold out. Such was the case with Nebraska, where the good share of their customers are "long" wheat, and millions of bushels of grain. These tremendous sales lowered prices more, and so the tumbling was

open up. The wheat which the Savage family has been holding was sold to-day, so it is said. While the wheat was taken care of, the cattle and sheep were sold. Both closed almost at the bottom, but the confidence was somewhat restored. June wheat dropped at \$1 06½. July at \$1 07; June corn at 4½ cts, July at 5½ cts.

It is said that the Fowler Brothers endeavored to buy all of their James Wright & Co. brand of land to-day, offering the banks 5 cents over the market for such as they held. Armour, however, got this is the land which the Fowlers are cleared out, offering it at 4 cts. On Saturday, \$5,500,000 in margins were deposited at the banks to protect

choes, mostly inlard and provisions. At the McNeese-Fowler lard and preservation. To-day Professor McNeese testifies to the fact that he had no knowledge of the defendant until he was called in by the attorney. He testified that he had tested since his first testimony was taken. The lard contained tallow and cottonseed oil. Two other witnesses, employees of the Fowlers, and who only left them on Friday last, testified that they had shoveled tallow into Little No. 4 and then turned the valves so that it could be let into the lard tank. They had then been called down and had drawn off this into barrels which were branded prime steam lard of the James Wright & Co. brand. The prosecution then

**NO FAILURES IN THIS CITY.**

There was considerable anxiety among lard men in the Produce Exchange at the opening of the market yesterday, but as lard opened strong—at \$10.40 and made a decline only of 15 cents, a feeling of reassurance took possession of the operators in that product. The leading dealers expressed satisfaction with the market, one saying that lard would probably soon come to a true level—\$9.50. There were no failures. It was reported that Tabor & Wilson, of Nos. 40 and 42 Broadway, had failed, but their failure was not confirmed. Mr. Wilson, who returned from Chicago on Sunday, said that

“The trouble was with us, as with any other dealers in Chicago,” said “that the calls on us passed all reason. The rules of the Chicago Board allow calls down to the low price and then ten cents additional. Attempts were made to call us higher than that, and we made a ‘kick.’ I refused to put up my margins on such calls, and so it happened that we had failed; others did the same thing, else half of the Chicago dealers would have gone under. Everything is all right now, and the market will probably settle down to a steady basis.”

Emile Hollender and Frank Rademehr quarreled about 10 o'clock last night in front of No. 132 Bank St. Hollender shot his opponent in the stomach, inflicting a serious wound. The wounded man was taken to the Chambers Street Hospital and his assailant arrested.